

# Fall 2005 Forecast

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Sales

Rates Billed

Peaks

2005-2015

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***Regular Sales and System Peak Summer (Projected Year End 2005 vs. 2006 Forecast)***

Regular sales includes total Retail and Full / Partial Requirements Wholesale sales (as defined on page 4). The system peak summer demand includes all MW demands associated with Retail classes, Full / Partial Requirements Wholesale and the total resource needs of the Catawba Joint Owners (as defined on page 14). The forecast for 2006 shows growth over projected year end 2005 as follows:

Growth Statistics from 2005 to 2006				
	Projected 2005	Forecasted 2006	Growth	
Item	Amount	Amount	Amount	%
Regular Sales	76,967 GWH*	78,260 GWH	1,293 GWH	1.7%
System Peak Summer	20,559 MW**	20,084 MW	-475 MW	-2.3%
System Peak Summer with Adjusted History	19,669 MW***	20,084 MW	415 MW	2.1%

\*Actual GWH is included from January to July 2005 and Fall 2005 Forecast from August to December 2005

\*\*Actual MW at the time of summer peak

\*\*\*Actual MW adjusted to normal peaking temperature

***Regular Sales Outlook for the Forecast Horizon (2004 – 2015)***

Total Regular sales are expected to grow at an average annual rate of 2.3% from 2004 through 2015. Growth rates for all retail classes of sales are similar to the growth projections in the Spring 2005 forecast. **[BEGIN CONFIDENTIAL]**

**[END CONFIDENTIAL]**

Comparison of Regular Sales Growth Statistics Fall 2005 Forecast vs. Spring 2005 Forecast						
	Fall 2005 Forecast Annual Growth (2004-2015)		Spring 2005 Forecast Annual Growth (2004-2015)		Average Annual Difference <sup>1</sup>	
Item	Amount	%	Amount	%		
<b>Regular Sales:</b>						
Residential	481 GWH	1.8%	488 GWH	1.8%	-6 GWH	
General Service	771 GWH	2.7%	807 GWH	2.8%	-36 GWH	
Industrial (total)	11 GWH	0.0%	-43 GWH	-0.2%	54 GWH	
Textile	-277 GWH	-4.9%	-261 GWH	-4.6%	-15 GWH	
Other Industrial	288 GWH	1.5%	219 GWH	1.2%	69 GWH	
Other <sup>2</sup>	4 GWH	1.3%	4 GWH	1.3%	0 GWH	
Full / Partial Requirements						
Wholesale	671 GWH	17.7%	36 GWH	2.2%	636 GWH	
Total Regular	1,939 GWH	2.3%	1,292 GWH	1.6%	647 GWH	

<sup>1</sup> Average annual differences may not match due to rounding

<sup>2</sup> Other sales consist of Street and Public Lighting and Traffic Signal GWH sales.

### ***System Peak Outlook for the Forecast Horizon (2004 – 2015)***

System peak hour demands are forecasted on a summer and winter basis. The system peak summer demand on the Duke system is expected to grow at an average annual rate of 1.8% from 2004 through 2015. The system peak winter demand is expected to grow at an average annual rate of 1.5% from 2004 through 2015.

Comparison of System Peak Demand Growth Statistics Fall 2005 Forecast vs. Spring 2005 Forecast						
	Fall 2005 Forecast Annual Growth (2004-2015)		Spring 2005 Forecast Annual Growth (2004-2015)		Average Annual Difference <sup>1</sup>	
Item	Amount	%	Amount	%		
<b>System Peaks</b>						
Summer	394 MW	1.8%	421 MW	2.0%	-28 MW	
Winter	266 MW	1.5%	298 MW	1.6%	-32 MW	

### ***Other Forecasts***

- Number of rates billed is forecasted for the Residential, General Service and Industrial classes on the Duke system. Total number of rates billed on the Duke system is expected to grow at 1.6% annually over the forecast horizon.
- Nantahala Power & Light (“NP&L”) is an operating division of Duke Power. NP&L forecasts include the following:
  - NP&L sales are expected to grow at an average annual rate of 2.6% from 2004 through 2015.
  - NP&L number of rates billed is expected to grow 2.0% annually over the forecast horizon.
  - NP&L summer peak demand (coincident with Duke’s system peak) is expected to grow an average annual rate of 10 MW from 2005 through 2015.
- The total annual energy requirements of the Catawba Joint Owners are forecasted to grow at 2.4% annually over the forecast horizon.
- Territorial energy requirements (as defined on page 16) are forecasted to grow from 100,969 GWH in 2005 to 120,792 GWH in 2015, for an average annual growth rate of 1.8%.

# *Billed Sales and Other Energy Requirements*

Regular Sales, which includes billed sales to Retail and Full / Partial Requirements Wholesale classes, are expected to grow at 1,939 GWH per year or 2.3% over the forecast horizon. Retail sales include GWH sales billed to the Residential, General Service, Industrial, Street and Public Lighting, and Traffic Signal Service classes. Full / Partial Requirements Wholesale sales include GWH sales billed to municipalities and public utility companies that purchase their full power requirements from the Company, except for power supplied by parallel operation of generation facilities  
[BEGIN CONFIDENTIAL]

[END CONFIDENTIAL]

Regular Sales, as defined here, exclude Nantahala Power & Light (“NP&L”) retail and Full / Partial Requirements Wholesale GWH sales. NP&L is an operating division of Duke Power. Electric energy sales for NP&L are forecasted separately and included in the Duke Power Territorial Energy forecast

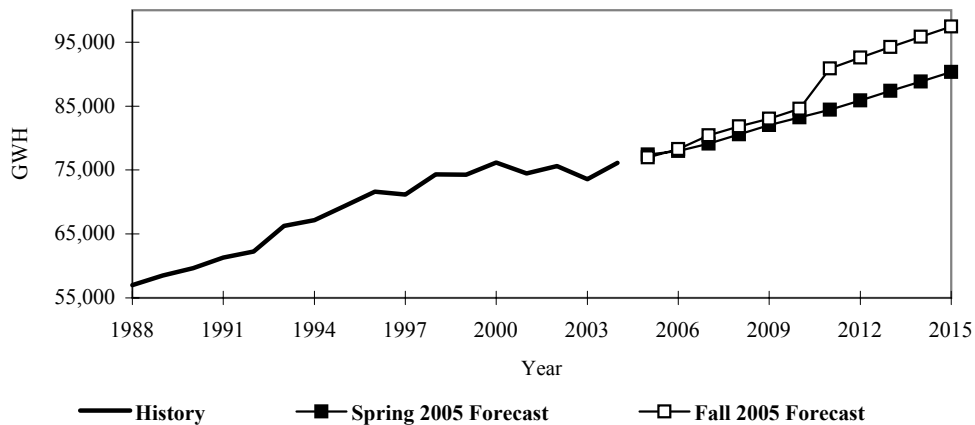
### *Points of Interest*

- The **Residential** class continues to show positive growth, driven by steady gains in population within the Duke Power service area. The resulting annual growth in Residential billed sales is expected to average 1.8% over the forecast horizon.
- The **General Service** class is projected to be the fastest growing retail class, with billed sales growing at 2.7% per year over the next ten years. The six sectors that are expected to contribute 72% of the total General Service sales growth from 2005 to 2006 are: Offices, Utilities, Retail, Medical, Education and Churches.
- The **Industrial** class continues to struggle due to Textiles. Over the forecast horizon, the closing of Textile plants is expected to continue. In the Other Industrial class, however, several sectors are expected to show strong growth. These include: Autos, Rubber & Plastics, Instruments, and Chemicals (excluding Man-Made Fibers). As a result, Total Industrial sales are expected to be essentially flat over the forecast horizon.
- The **Full / Partial Requirements Wholesale** class is expected to grow at 17.7% annually over the forecast horizon, [BEGIN CONFIDENTIAL]

[END

CONFIDENTIAL]

## Regular Billed Sales *(Sum of Retail and Full / Partial Requirements Wholesale classes)*



### HISTORY

### AVERAGE ANNUAL GROWTH

Year	Actual GWH	GWH	Growth %		GWH Per Year	% Per Year
2000	76,159	1,909	2.6	History (1999 to 2004)	377	0.5
2001	74,479	-1,680	-2.2	History (1989 to 2004)	1174	1.8
2002	75,600	1,120	1.5			
2003	73,579	-2,020	-2.7	Fall 2005 Forecast (2004 to 2015)	1939	2.3
2004	76,137	2,558	3.5	Spring 2005 Forecast (2004 to 2015)	1292	1.6

### FALL 2005 FORECAST

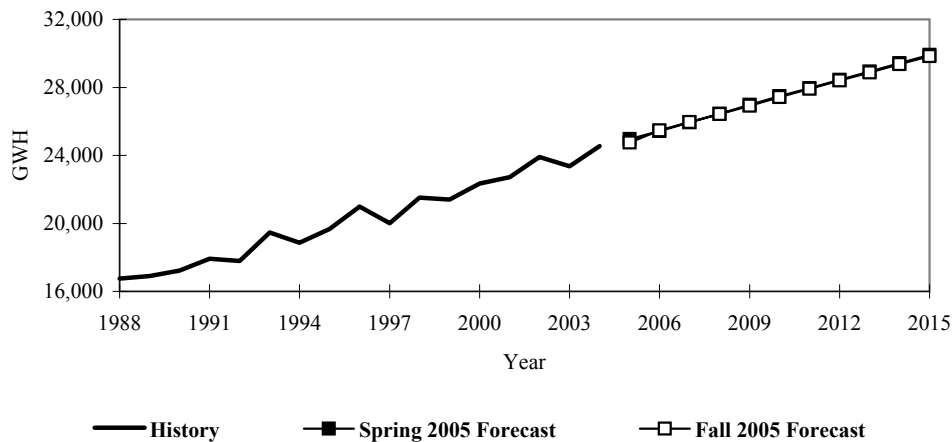
### SPRING 2005 FORECAST

Year	GWH	Growth GWH	%	GWH	Difference from Spring 2005 GWH	%
2005**	76,967	830	1.1	77,404	-437	-0.6
2006	78,260	1,293	1.7	77,997	264	0.3
2007	80,451	2,191	2.8	79,116	1,335	1.7
2008	81,842	1,391	1.7	80,582	1,260	1.6
2009	83,030	1,188	1.5	82,024	1,005	1.2
2010	84,564	1,535	1.8	83,247	1,318	1.6
2011	90,899	6,335	7.5	84,428	6,471	7.7
2012	92,570	1,671	1.8	85,887	6,683	7.8
2013	94,222	1,653	1.8	87,369	6,853	7.8
2014	95,835	1,613	1.7	88,848	6,988	7.9
2015	97,461	1,626	1.7	90,345	7,116	7.9

\*\*The 2005 GWH for the Fall 2005 Forecast includes actual GWH from January to July 2005.



## Residential Billed Sales



### HISTORY

### AVERAGE ANNUAL GROWTH

Year	Actual GWH	GWH	Growth %		GWH Per Year	% Per Year
2000	22,334	941	4.4	History (1999 to 2004)	630	2.8
2001	22,719	384	1.7	History (1989 to 2004)	510	2.5
2002	23,898	1,179	5.2			
2003	23,356	-542	-2.3	Fall 2005 Forecast (2004 to 2015)	481	1.8
2004	24,543	1,186	5.1	Spring 2005 Forecast (2004 to 2015)	488	1.8

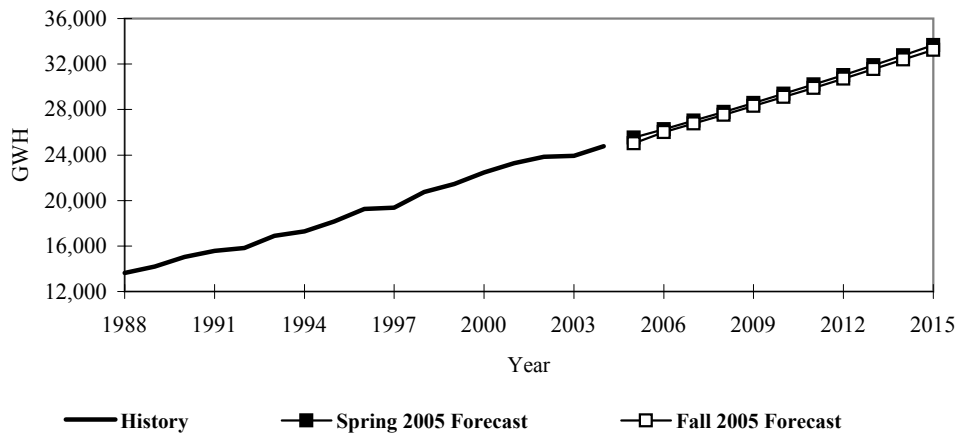
### FALL 2005 FORECAST

### SPRING 2005 FORECAST

Year	GWH	Growth GWH	%	GWH	Difference from Spring 2005 GWH	%
2005**	24,754	212	0.9	24,959	-205	-0.8
2006	25,470	716	2.9	25,439	31	0.1
2007	25,950	480	1.9	25,945	5	0.0
2008	26,433	483	1.9	26,456	-23	-0.1
2009	26,927	494	1.9	26,970	-43	-0.2
2010	27,425	498	1.8	27,473	-49	-0.2
2011	27,914	489	1.8	27,959	-45	-0.2
2012	28,399	486	1.7	28,444	-45	-0.2
2013	28,878	478	1.7	28,930	-52	-0.2
2014	29,356	479	1.7	29,417	-61	-0.2
2015	29,838	482	1.6	29,909	-70	-0.2

\*\*The 2005 GWH for the Fall 2005 Forecast includes actual GWH from January to July 2005.

## General Service Billed Sales



### HISTORY

### AVERAGE ANNUAL GROWTH

Year	Actual GWH	GWH	Growth %		GWH Per Year	% Per Year
2000	22,467	1,008	4.7	History (1999 to 2004)	663	2.9
2001	23,282	815	3.6	History (1989 to 2004)	705	3.8
2002	23,831	549	2.4			
2003	23,933	102	0.4	Fall 2005 Forecast (2004 to 2015)	771	2.7
2004	24,775	842	3.5	Spring 2005 Forecast (2004 to 2015)	807	2.8

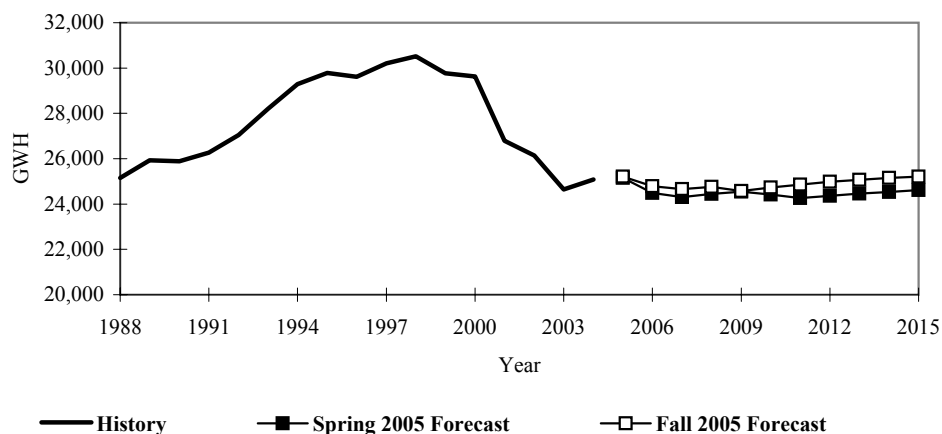
### FALL 2005 FORECAST

### SPRING 2005 FORECAST

Year	GWH	Growth GWH	%	GWH	Difference from Spring 2005 GWH	%
2005**	25,025	249	1.0	25,524	-499	-2.0
2006	26,005	980	3.9	26,255	-250	-1.0
2007	26,766	761	2.9	27,015	-249	-0.9
2008	27,534	768	2.9	27,788	-253	-0.9
2009	28,310	776	2.8	28,573	-263	-0.9
2010	29,097	787	2.8	29,379	-282	-1.0
2011	29,892	795	2.7	30,192	-300	-1.0
2012	30,712	820	2.7	31,025	-313	-1.0
2013	31,547	835	2.7	31,893	-346	-1.1
2014	32,391	843	2.7	32,766	-376	-1.1
2015	33,256	865	2.7	33,655	-399	-1.2

\*\*The 2005 GWH for the Fall 2005 Forecast includes actual GWH from January to July 2005.

## ***Total Industrial Billed Sales (includes Textile and Other Industrial)***



### **HISTORY**

### **AVERAGE ANNUAL GROWTH**

Year	Actual GWH	GWH	Growth %		GWH Per Year	% Per Year
2000	29,632	-135	-0.5	History (1999 to 2004)	-936	-3.4
2001	26,784	-2,848	-9.6	History (1989 to 2004)	-57	-0.2
2002	26,141	-643	-2.4			
2003	24,645	-1,496	-5.7	Fall 205 Forecast (2004 to 2015)	11	0.0
2004	25,085	440	1.8	Spring 205 Forecast (2004 to 2015)	-43	-0.2

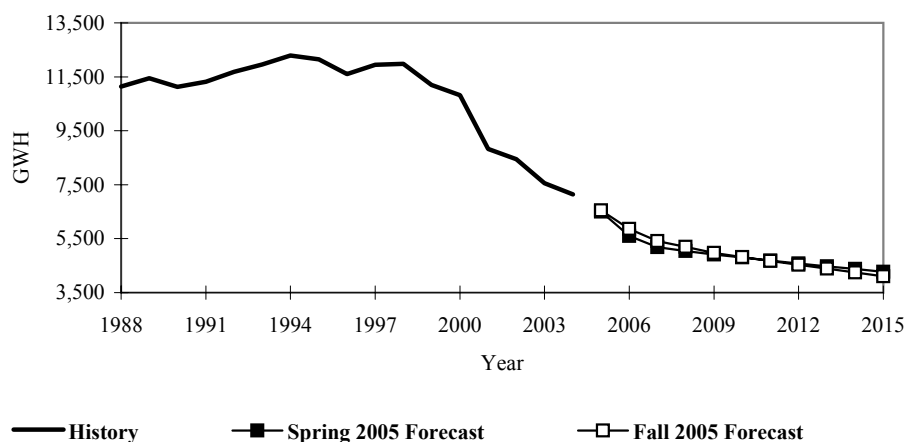
### **FALL 2005 FORECAST**

### **SPRING 2005 FORECAST**

Year	GWH	Growth GWH	%	GWH	Difference from Spring 2005 GWH	%
2005**	25,208	123	0.5	25,146	62	0.2
2006	24,784	-425	-1.7	24,489	295	1.2
2007	24,662	-121	-0.5	24,303	359	1.5
2008	24,760	97	0.4	24,446	314	1.3
2009	24,573	-186	-0.8	24,549	24	0.1
2010	24,731	158	0.6	24,420	311	1.3
2011	24,863	132	0.5	24,264	598	2.5
2012	24,984	121	0.5	24,367	617	2.5
2013	25,072	88	0.4	24,456	616	2.5
2014	25,147	75	0.3	24,536	611	2.5
2015	25,207	59	0.2	24,615	592	2.4

\*\*The 2005 GWH for the Fall 2005 Forecast includes actual GWH from January to July 2005.

## Textile Billed Sales



### HISTORY

Year	Actual GWH	GWH	Growth %		GWH Per Year	% Per Year
2000	10,814	-382	-3.4	History (1999 to 2004)	-810	-8.6
2001	8,825	-1,989	-18.4	History (1989 to 2004)	-286	-3.1
2002	8,443	-382	-4.3			
2003	7,562	-881	-10.4	Fall 205 Forecast (2004 to 2015)	-277	-4.9
2004	7,147	-415	-5.5	Spring 205 Forecast (2004 to 2015)	-261	-4.6

### AVERAGE ANNUAL GROWTH

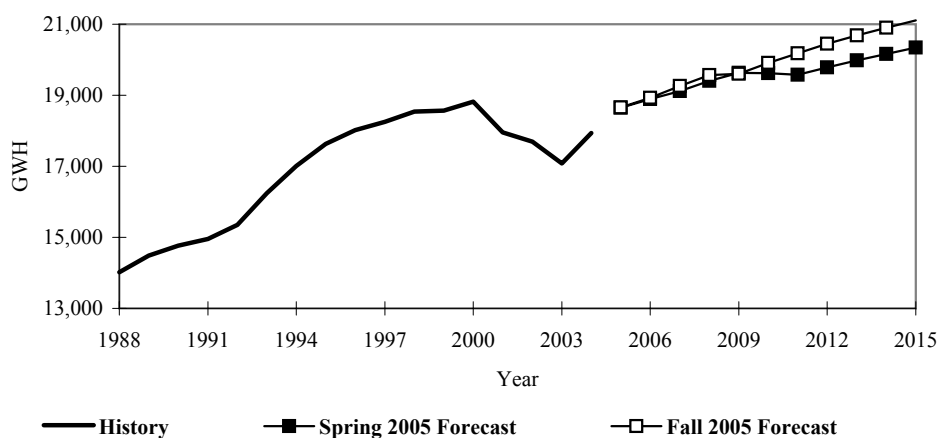
### FALL 2005 FORECAST

### SPRING 2005 FORECAST

Year	GWH	Growth GWH	%	GWH	Difference from Spring 2005 GWH	%
2005**	6,553	-593	-8.3	6,497	57	0.9
2006	5,860	-693	-10.6	5,601	259	4.6
2007	5,405	-455	-7.8	5,185	220	4.2
2008	5,192	-213	-3.9	5,044	148	2.9
2009	4,966	-226	-4.3	4,917	49	1.0
2010	4,822	-145	-2.9	4,800	22	0.5
2011	4,680	-142	-2.9	4,689	-9	-0.2
2012	4,537	-142	-3.0	4,584	-47	-1.0
2013	4,391	-147	-3.2	4,478	-87	-1.9
2014	4,247	-144	-3.3	4,374	-127	-2.9
2015	4,100	-146	-3.4	4,270	-170	-4.0

\*\*The 2005 GWH for the Fall 2005 Forecast includes actual GWH from January to July 2005.

## Other Industrial Billed Sales



### HISTORY

### AVERAGE ANNUAL GROWTH

Year	Actual GWH	GWH	Growth %		GWH Per Year	% Per Year
2000	18,818	247	1.3	History (1999 to 2004)	-127	-0.7
2001	17,959	-858	-4.6	History (1989 to 2004)	230	1.4
2002	17,698	-261	-1.5			
2003	17,083	-615	-3.5	Fall 2005 Forecast (2004 to 2015)	288	1.5
2004	17,938	855	5.0	Spring 2005 Forecast (2004 to 2015)	219	1.2

### FALL 2005 FORECAST

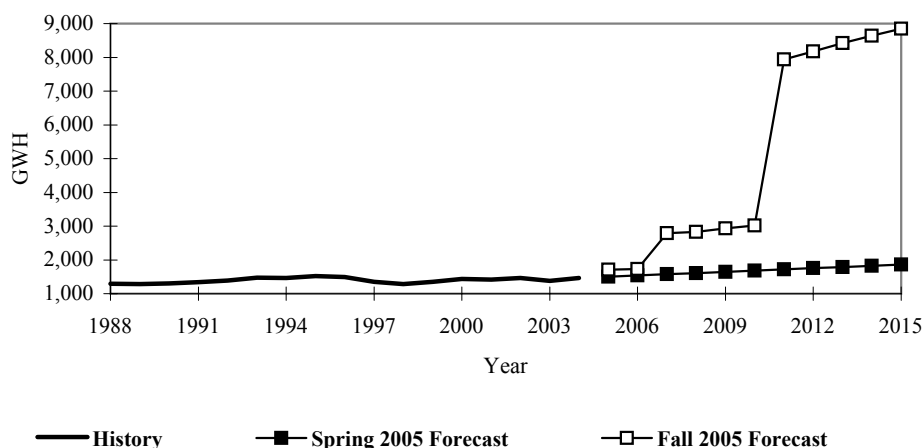
### SPRING 2005 FORECAST

Year	GWH	Growth GWH	%	GWH	Difference from Spring 2005 GWH	%
2005**	18,655	717	4.0	18,650	5	0.0
2006	18,923	269	1.4	18,888	36	0.2
2007	19,258	334	1.8	19,118	139	0.7
2008	19,567	310	1.6	19,402	166	0.9
2009	19,607	39	0.2	19,632	-25	-0.1
2010	19,909	302	1.5	19,620	289	1.5
2011	20,183	274	1.4	19,576	607	3.1
2012	20,447	263	1.3	19,783	664	3.4
2013	20,681	235	1.1	19,978	703	3.5
2014	20,901	220	1.1	20,163	738	3.7
2015	21,107	206	1.0	20,345	762	3.7

\*\*The 2005 GWH for the Fall 2005 Forecast includes actual GWH from January to July 2005.

## Full / Partial Requirements Wholesale Billed Sales

1,2



### HISTORY

### AVERAGE ANNUAL GROWTH

Year	Actual GWH	GWH	Growth %		GWH Per Year	% Per Year
2000	1,431	85	6.3	History (1999 to 2004)	24	1.7
2001	1,415	-16	-1.1	History (1989 to 2004)	12	0.9
2002	1,460	45	3.2			
2003	1,377	-84	-5.7	Fall 2005 Forecast (2004 to 2015)	671	17.7
2004	1,467	91	6.6	Spring 2005 Forecast (2004 to 2015)	36	2.2

### FALL 2005 FORECAST

### SPRING 2005 FORECAST

Year	GWH	Growth GWH	%	GWH	Difference from Spring 2005 GWH	%
2005**	1,711	243	16.6	1,503	207	13.8
2006	1,726	16	0.9	1,538	188	12.2
2007	2,793	1,067	61.8	1,574	1,219	77.5
2008	2,832	39	1.4	1,609	1,223	76.0
2009	2,932	100	3.5	1,645	1,287	78.2
2010	3,021	89	3.0	1,683	1,337	79.5
2011	7,936	4,915	162.7	1,719	6,217	361.8
2012	8,177	241	3.0	1,754	6,423	366.2
2013	8,424	248	3.0	1,789	6,636	370.9
2014	8,637	213	2.5	1,824	6,813	373.6
2015	8,853	216	2.5	1,859	6,994	376.2

1 Schedule 10A Resale Sales does not include SEPA allocation.

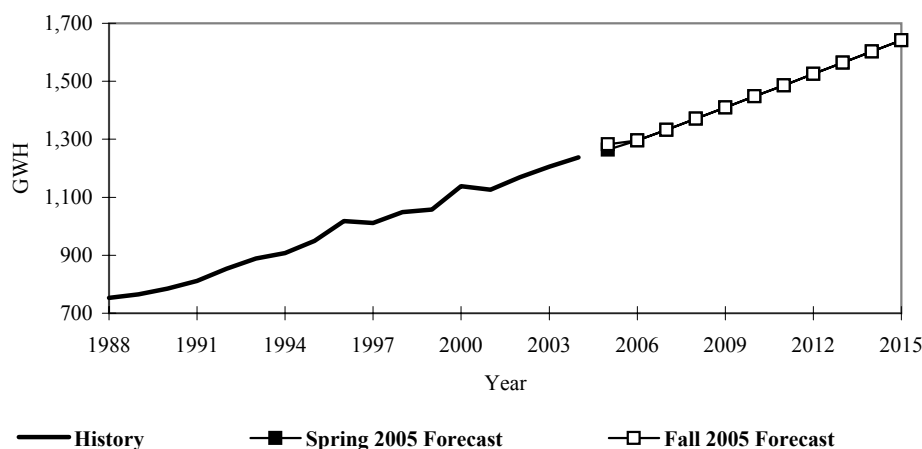
2 As of 1997, Duke no longer provides the electric energy requirements for the towns of Seneca and Greenwood, South Carolina.

\*\*The 2005 GWH for the Fall 2005 Forecast includes actual GWH from January to August 2005.

NP&L Sales includes billed sales to the Residential, Commercial, Industrial, Public Street and Highway Lighting and Resale classes served by the company formally known as the Nantahala Power and Light Company.

The NP&L billed sales forecast is slightly higher than the previous forecast, primarily due to a faster growing local economy as compared to the previous economic projections. NP&L sales typically account for about 1% of the annual territorial energy requirements.

## NP&L Billed Sales



### HISTORY

### AVERAGE ANNUAL GROWTH

Year	Actual GWH	GWH	Growth %		GWH Per Year	% Per Year
2000	1,138	81	7.7	History (1999 to 2004)	36	3.2
2001	1,126	-12	-1.1	History (1989 to 2004)	31	3.3
2002	1,169	43	3.8			
2003	1,205	36	3.1	Fall 2005 Forecast (2004 to 2015)	37	2.6
2004	1,237	32	2.7	Spring 2005 Forecast (2004 to 2015)	37	2.6

### FALL 2005 FORECAST

### SPRING 2005 FORECAST

Year	GWH	Growth GWH	%	GWH	Difference from Spring 2005 GWH	%
2005**	1,283	46	3.7	1,264	19	1.5
2006	1,296	13	1.0	1,296	0	0.0
2007	1,332	36	2.8	1,332	0	0.0
2008	1,371	39	3.0	1,371	0	0.0
2009	1,410	39	2.8	1,410	0	0.0
2010	1,448	38	2.7	1,448	0	0.0
2011	1,486	38	2.6	1,486	0	0.0
2012	1,525	39	2.6	1,525	0	0.0
2013	1,564	39	2.5	1,564	0	0.0
2014	1,602	39	2.5	1,602	0	0.0
2015	1,641	39	2.4	1,641	0	0.0

\*\*The 2005 GWH for the Fall 2005 Forecast includes actual GWH from January to July 2005.

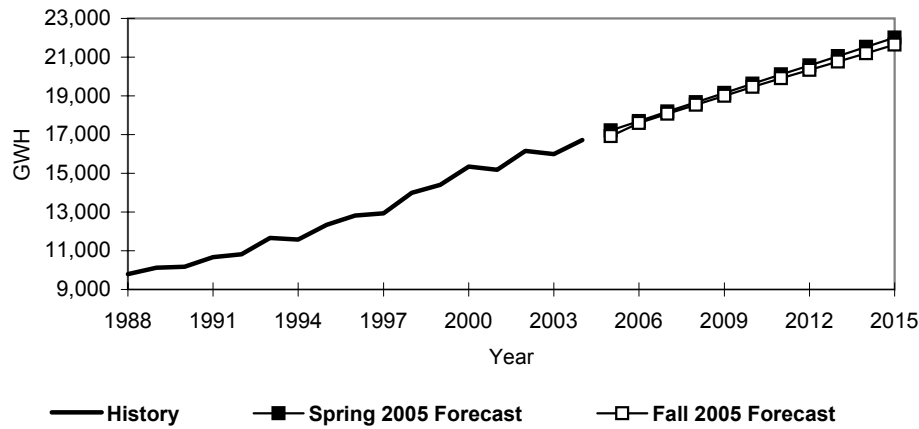


Duke Power owns 12.5% of the capacity of the Catawba Nuclear Station Units 1 and 2. The remaining 87.5% is owned by the North Carolina Municipal Power Agency #1 (37.5%), Piedmont Municipal Power Agency (12.5%), North Carolina Electric Membership Corporation (28.1%) and Saluda River Electric Cooperative, Inc. (9.4%).

In addition to the power supplied from the ownership share in the Catawba stations, each Catawba Joint Owner must purchase supplemental power to meet its total energy requirements. The Catawba forecast represents the total energy requirements of the Catawba Joint Owners.

- Total Catawba electric energy requirements are expected to increase at an average annual growth of 448 GWH per year and a growth rate of 2.4 % per year over the period from 2004-2015.

## Catawba Total Delivered Energy Requirements <sup>1</sup>



### HISTORY

### AVERAGE ANNUAL GROWTH

YEAR	Actual GWH	GWH	GROWTH %		GWH Per Year	% Per Year
2000	15,354	941	6.5	History (1999 to 2004)	460	3.0
2001	15,184	-170	-1.1	History (1989 to 2004)	440	3.4
2002	16,151	967	6.4			
2003	15,986	-165	-1.0	Fall 2005 Forecast (2004 to 2015)	448	2.4
2004	16,714	728	4.6	Spring 2005 Forecast (2004 to 2015)	481	2.5

### FALL 2005 FORECAST

### SPRING 2005 FORECAST

Year	GWH	Growth GWH	%	GWH	Difference from Spring 2005 GWH	%
2005**	16,921	206	1.2	17,218	-297	-1.7
2006	17,590	669	4.0	17,702	-112	-0.6
2007	18,071	481	2.7	18,183	-112	-0.6
2008	18,543	473	2.6	18,675	-132	-0.7
2009	19,008	465	2.5	19,156	-148	-0.8
2010	19,466	458	2.4	19,633	-167	-0.9
2011	19,902	435	2.2	20,104	-202	-1.0
2012	20,336	434	2.2	20,578	-242	-1.2
2013	20,770	434	2.1	21,053	-282	-1.3
2014	21,205	434	2.1	21,527	-322	-1.5
2015	21,644	440	2.1	22,006	-361	-1.6

<sup>1</sup> Total Delivery for Catawba Joint Owners includes SEPA allocations.

Territorial energy requirements consist of:

- . Regular Sales
- . NP&L Sales
- . Catawba Joint Owner energy requirements
- . Southeastern Power Administration (“SEPA”) energy allocations that are wheeled to municipal and cooperative electric systems within the Duke Power service area
- . Duke Power Company use
- . System losses and unbilled energy

Territorial energy requirements are forecasted to grow 1.8% per year from 2005 to 2015. All values below are expressed in GWH.

Year	1 Regular Sales	2 Catawba (Less SEPA) Total	3 SEPA	4 Company Use	5 NP&L	6 & 7 Losses & Unbilled	Territorial Energy
2005	76,726	16,584	360	212	1,283	5,805	100,969
2006	78,033	17,289	311	210	1,296	5,919	103,058
2007	79,191	17,770	311	209	1,332	6,017	104,830
2008	80,576	18,243	311	207	1,371	6,114	106,823
2009	81,699	18,708	311	206	1,410	6,207	108,541
2010	83,178	19,166	311	205	1,448	6,322	110,631
2011	84,631	19,601	311	204	1,486	6,437	112,670
2012	86,094	20,036	311	202	1,525	6,551	114,719
2013	87,532	20,470	311	201	1,564	6,664	116,742
2014	88,965	20,904	311	200	1,602	6,777	118,759
2015	90,407	21,344	311	198	1,641	6,890	120,792

<sup>1</sup> Regular Sales represents total electricity used by Duke Power’s Retail and Full / Partial Requirements Wholesale classes.

[BEGIN CONFIDENTIAL]

[END CONFIDENTIAL]

<sup>2</sup> Catawba Total represents Catawba Joint Owner electricity requirements less their SEPA allocations.

<sup>3</sup> SEPA represents hydro energy allocated to the municipalities and co-operatives and wheeled by Duke Power Company.

<sup>4</sup> Company Use represents electricity used by Duke Power offices and facilities.

<sup>5</sup> NP&L represents electricity used by all customers served by Nantahala Power & Light Company.

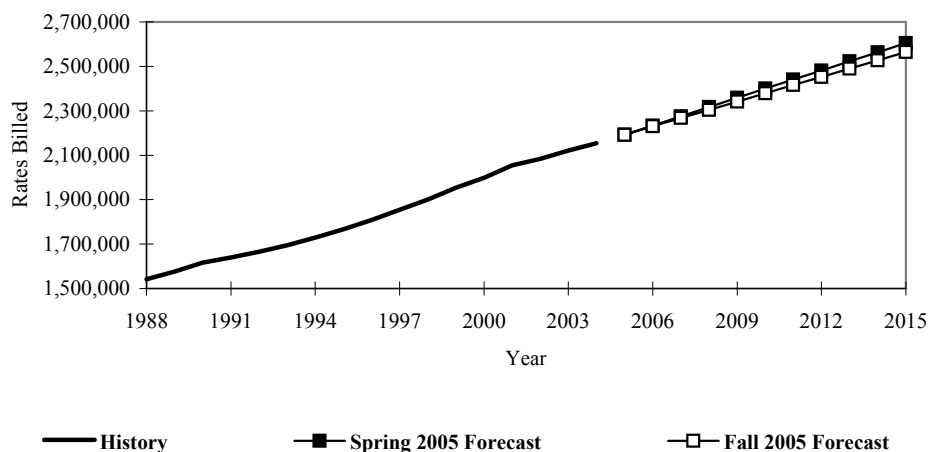
<sup>6</sup> Losses represent electricity line losses from generation sources to customer meters. NP&L losses are included.

<sup>7</sup> Unbilled Sales represent the adjustment made to create calendar period sales from billing period sales. NP&L unbilled is included.

## *Number of Rates Billed*

## Total Rates Billed

(Sum of Major Retail Classes: Residential, Commercial and Industrial)



### HISTORY

### AVERAGE ANNUAL GROWTH

Year	Actual Rates Billed	Growth Rates Billed	%		Rates Billed Per Year	% Per Year
2000	1,997,873	44,474	2.3	History (1999 to 2004)	40,243	2.0
2001	2,054,592	56,719	2.8	History (1989 to 2004)	38,518	2.1
2002	2,083,845	29,253	1.4			
2003	2,121,236	37,391	1.8	Fall 2005 Forecast (2004 to 2015)	37,319	1.6
2004	2,154,613	33,377	1.6	Spring 2005 Forecast (2004 to 2015)	40,903	1.7

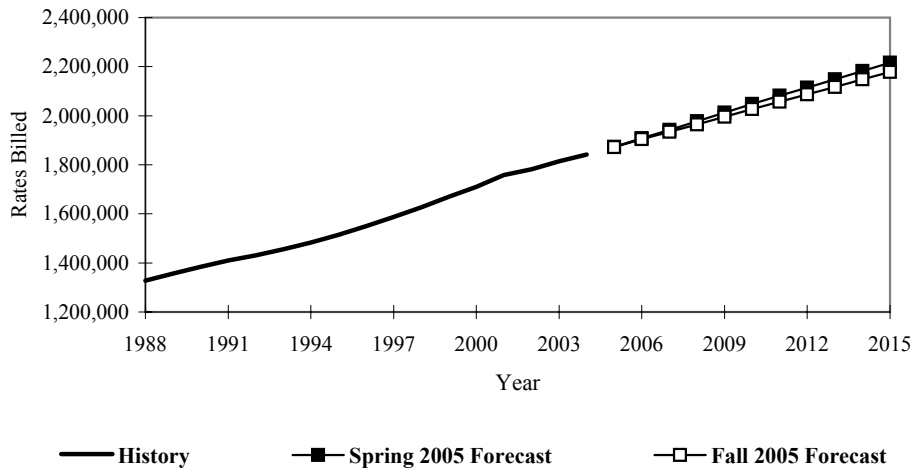
### FALL 2005 FORECAST

### SPRING 2005 FORECAST

Year	Rates Billed	Growth Rates Billed	%	Rates Billed	Difference from Spring 2005 Rates Billed	%
2005**	2,191,376	36,763	1.7	2,193,333	-1,958	-0.1
2006	2,229,983	38,608	1.8	2,233,931	-3,948	-0.2
2007	2,267,163	37,180	1.7	2,275,050	-7,886	-0.3
2008	2,304,070	36,907	1.6	2,316,691	-12,621	-0.5
2009	2,341,537	37,467	1.6	2,358,643	-17,106	-0.7
2010	2,379,130	37,593	1.6	2,400,366	-21,236	-0.9
2011	2,415,919	36,788	1.5	2,440,827	-24,908	-1.0
2012	2,452,893	36,974	1.5	2,481,394	-28,502	-1.1
2013	2,490,049	37,156	1.5	2,522,171	-32,122	-1.3
2014	2,527,343	37,294	1.5	2,563,113	-35,770	-1.4
2015	2,565,119	37,776	1.5	2,604,546	-39,427	-1.5

\*\*The 2005 value for the Fall 2005 Forecast includes actual rates billed from January to July 2005.

## Residential Rates Billed



### HISTORY

### AVERAGE ANNUAL GROWTH

Year	Actual Rates Billed	Growth Rates Billed	%		Rates Billed Per Year	% Per Year
2000	1,709,695	40,624	2.4	History (1999 to 2004)	34,461	2.0
2001	1,757,942	48,246	2.8	History (1989 to 2004)	32,353	2.1
2002	1,782,384	24,443	1.4			
2003	1,813,884	31,500	1.8	Fall 2005 Forecast (2004 to 2015)	30,684	1.5
2004	1,841,378	27,495	1.5	Spring 2005 Forecast (2004 to 2015)	34,083	1.7

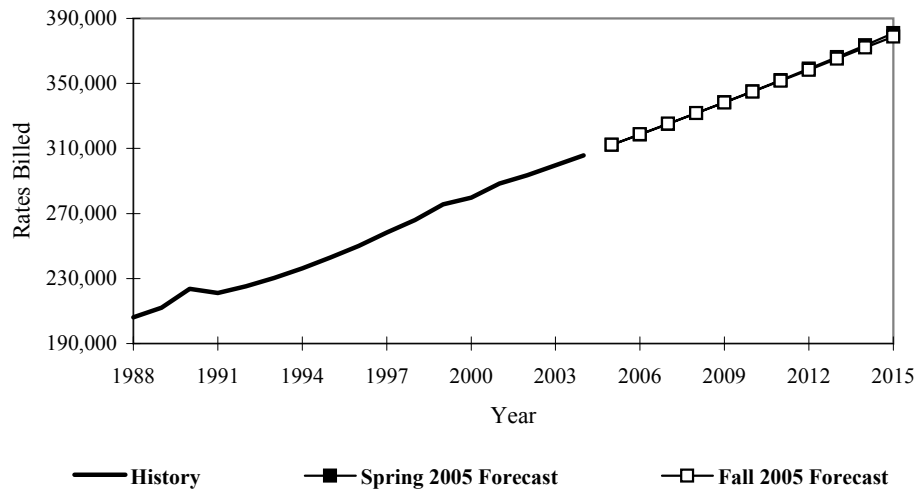
### FALL 2005 FORECAST

### SPRING 2005 FORECAST

Year	Rates Billed	Growth Rates Billed	%	Rates Billed	Difference from Spring 2005 Rates Billed	%
2005**	1,871,583	30,204	1.6	1,873,682	-2,099	-0.1
2006	1,903,714	32,131	1.7	1,907,911	-4,197	-0.2
2007	1,934,481	30,767	1.6	1,942,623	-8,142	-0.4
2008	1,964,927	30,446	1.6	1,977,657	-12,730	-0.6
2009	1,995,875	30,948	1.6	2,012,928	-17,053	-0.8
2010	2,026,800	30,925	1.5	2,047,844	-21,044	-1.0
2011	2,056,883	30,083	1.5	2,081,397	-24,514	-1.2
2012	2,087,105	30,222	1.5	2,114,955	-27,850	-1.3
2013	2,117,478	30,373	1.5	2,148,581	-31,103	-1.4
2014	2,147,962	30,484	1.4	2,182,256	-34,294	-1.6
2015	2,178,898	30,936	1.4	2,216,296	-37,398	-1.7

\*\*The 2005 value for the Fall 2005 Forecast includes actual rates billed from January to July 2005.

## General Service Rates Billed



### HISTORY

### AVERAGE ANNUAL GROWTH

Year	Actual Rates Billed	Growth Rates Billed	%		Rates Billed Per Year	% Per Year
2000	279,718	4,058	1.5	History (1999 to 2004)	5,999	2.1
2001	288,401	8,682	3.1	History (1989 to 2004)	6,239	2.5
2002	293,486	5,085	1.8			
2003	299,564	6,078	2.1	Fall 2005 Forecast (2004 to 2015)	6,652	2.0
2004	305,656	6,093	2.0	Spring 2005 Forecast (2004 to 2015)	6,837	2.0

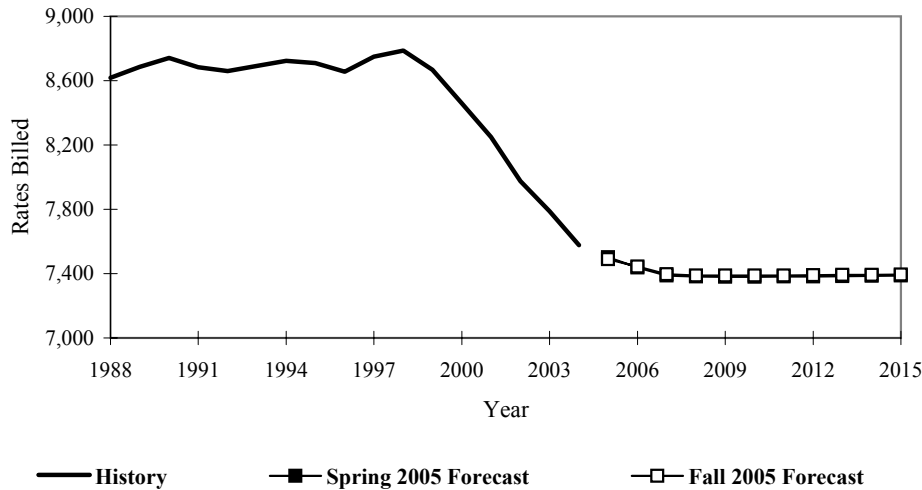
### FALL 2005 FORECAST

### SPRING 2005 FORECAST

Year	Rates Billed	Growth Rates Billed	%	Rates Billed	Difference from Spring 2005 Rates Billed	%
2005**	312,304	6,647	2.2	312,150	154	0.0
2006	318,825	6,521	2.1	318,583	242	0.1
2007	325,287	6,462	2.0	325,039	248	0.1
2008	331,754	6,467	2.0	331,652	102	0.0
2009	338,274	6,520	2.0	338,334	-60	0.0
2010	344,942	6,668	2.0	345,141	-199	-0.1
2011	351,647	6,704	1.9	352,049	-402	-0.1
2012	358,398	6,751	1.9	359,057	-659	-0.2
2013	365,180	6,782	1.9	366,206	-1,026	-0.3
2014	371,988	6,809	1.9	373,471	-1,483	-0.4
2015	378,826	6,838	1.8	380,863	-2,036	-0.5

\*\*The 2005 value for the Fall 2005 Forecast includes actual rates billed from January to July 2005.

## ***Total Industrial Rates Billed (Includes Textile and Other Industrial)***



### **HISTORY**

### **AVERAGE ANNUAL GROWTH**

Year	Actual Rates Billed	Growth Rates Billed	%		Rates Billed Per Year	% Per Year
2000	8,460	-208	-2.4	History (1999 to 2004)	-218	-2.7
2001	8,250	-210	-2.5	History (1989 to 2004)	-74	-0.9
2002	7,975	-275	-3.3			
2003	7,788	-187	-2.3	Fall 2005 Forecast (2004 to 2015)	-17	-0.2
2004	7,578	-210	-2.7	Spring 2005 Forecast (2004 to 2015)	-17	-0.2

### **FALL 2005 FORECAST**

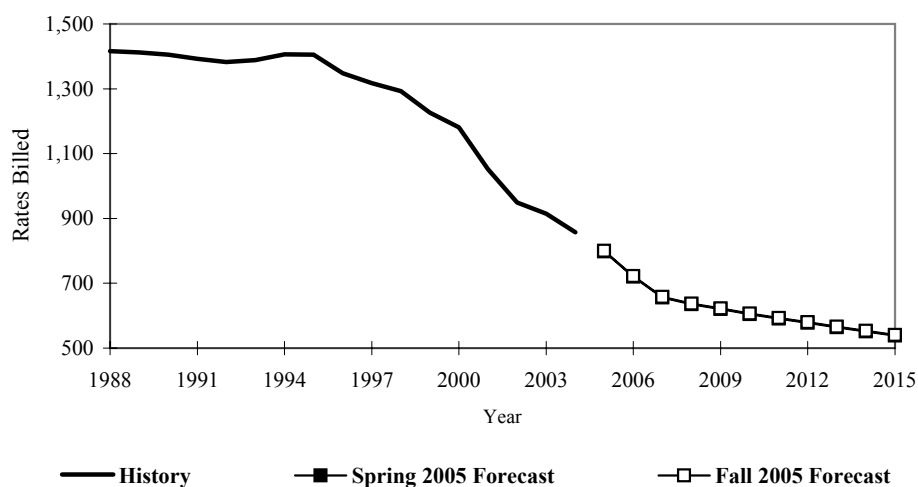
### **SPRING 2005 FORECAST**

Year	Rates Billed	Growth Rates Billed	%	Rates Billed	Difference from Spring 2005 Rates Billed	%
2005**	7,489	-89	-1.2	7,501	-12	-0.2
2006	7,444	-45	-0.6	7,437	7	0.1
2007	7,395	-49	-0.7	7,388	7	0.1
2008	7,389	-7	-0.1	7,382	7	0.1
2009	7,388	-1	0.0	7,381	7	0.1
2010	7,388	0	0.0	7,381	7	0.1
2011	7,388	1	0.0	7,381	7	0.1
2012	7,390	1	0.0	7,383	7	0.1
2013	7,391	1	0.0	7,384	7	0.1
2014	7,393	2	0.0	7,386	7	0.1
2015	7,395	2	0.0	7,388	7	0.1

\*\*The 2005 value for the Fall 2005 Forecast includes actual rates billed from January to July 2005.



## Textile Rates Billed



### HISTORY

### AVERAGE ANNUAL GROWTH

Year	Actual Rates Billed	Growth Rates Billed	%		Rates Billed Per Year	% Per Year
2000	1,181	-45	-3.7	History (1999 to 2004)	-74	-6.9
2001	1,052	-129	-10.9	History (1989 to 2004)	-37	-3.3
2002	949	-103	-9.8			
2003	914	-35	-3.6	Fall 2005 Forecast (2004 to 2015)	-29	-4.1
2004	857	-57	-6.2	Spring 2005 Forecast (2004 to 2015)	-29	-4.1

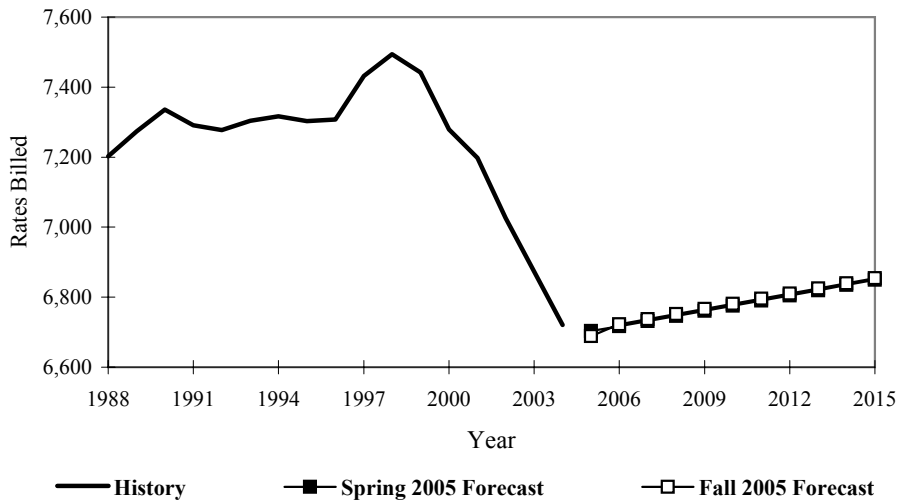
### FALL 2005 FORECAST

### SPRING 2005 FORECAST

Year	Rates Billed	Growth Rates Billed	%	Rates Billed	Difference from Spring 2005 Rates Billed	%
2005**	800	-57	-6.7	799	2	0.2
2006	722	-78	-9.8	720	2	0.3
2007	658	-64	-8.8	656	2	0.3
2008	637	-21	-3.2	635	2	0.3
2009	622	-15	-2.4	620	2	0.3
2010	607	-15	-2.4	605	2	0.3
2011	593	-14	-2.3	591	2	0.3
2012	580	-13	-2.2	578	2	0.3
2013	566	-13	-2.3	564	2	0.4
2014	553	-13	-2.3	551	2	0.4
2015	540	-13	-2.3	538	2	0.4

\*\*The 2005 value for the Fall 2005 Forecast includes actual rates billed from January to July 2005.

## Other Industrial Rates Billed



### HISTORY

### AVERAGE ANNUAL GROWTH

Year	Actual Rates Billed	Growth Rates Billed	%		Rates Billed Per Year	% Per Year
2000	7,279	-163	-2.2	History (1999 to 2004)	-144	-2.0
2001	7,198	-81	-1.1	History (1989 to 2004)	-37	-0.5
2002	7,026	-172	-2.4			
2003	6,874	-153	-2.2	Fall 2005 Forecast (2004 to 2015)	12	0.2
2004	6,720	-154	-2.2	Spring 2005 Forecast (2004 to 2015)	12	0.2

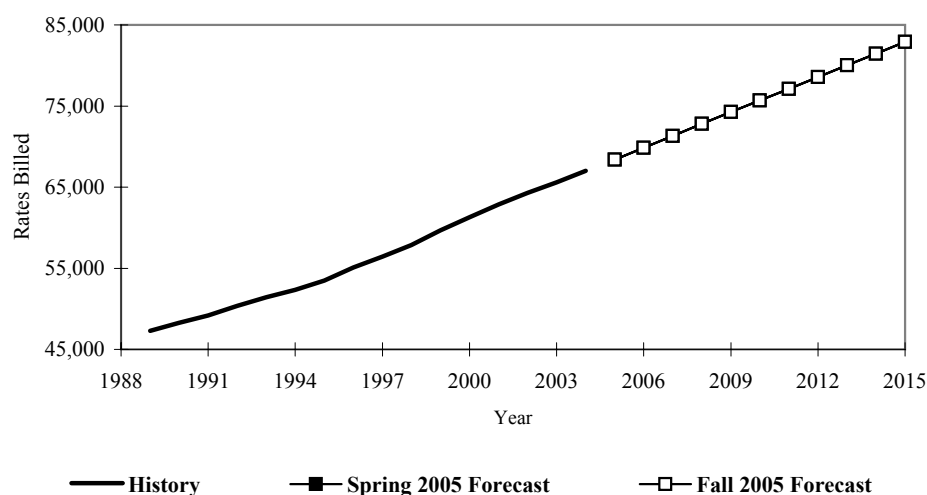
### FALL 2005 FORECAST

### SPRING 2005 FORECAST

Year	Rates Billed	Growth Rates Billed	%	Rates Billed	Difference from Spring 2005 Rates Billed	%
2005**	6,689	-31	-0.5	6,703	-14	-0.2
2006	6,722	33	0.5	6,717	5	0.1
2007	6,737	15	0.2	6,732	5	0.1
2008	6,752	15	0.2	6,747	5	0.1
2009	6,766	15	0.2	6,761	5	0.1
2010	6,781	15	0.2	6,776	5	0.1
2011	6,795	15	0.2	6,790	5	0.1
2012	6,810	15	0.2	6,805	5	0.1
2013	6,825	15	0.2	6,820	5	0.1
2014	6,839	15	0.2	6,834	5	0.1
2015	6,854	15	0.2	6,849	5	0.1

\*\*The 2005 value for the Fall 2005 Forecast includes actual rates billed from January to July 2005.

## NP&L Billed Customers



### HISTORY

### AVERAGE ANNUAL GROWTH

Year	Actual Rates Billed	Growth Rates Billed	%		Rates Billed Per Year	% Per Year
2000	61,296	1,638	2.7	History (1999 to 2004)	1,467	2.3
2001	62,857	1,561	2.5	History (1989 to 2004)	1,313	2.3
2002	64,290	1,433	2.3			
2003	65,607	1,317	2.0	Fall 2005 Forecast (2004 to 2015)	1,446	2.0
2004	66,995	1,388	2.1	Spring 2005 Forecast (2004 to 2015)	1,446	2.0

### FALL 2005 FORECAST

### SPRING 2005 FORECAST

Year	Rates Billed	Growth Rates Billed	%	Rates Billed	Difference from Spring 2005 Rates Billed	%
2005**	68,385	1,390	2.1	68,383	2	0.0
2006	69,851	1,466	2.1	69,851	0	0.0
2007	71,325	1,474	2.1	71,325	0	0.0
2008	72,799	1,474	2.1	72,799	0	0.0
2009	74,274	1,475	2.0	74,274	0	0.0
2010	75,684	1,410	1.9	75,684	0	0.0
2011	77,128	1,444	1.9	77,128	0	0.0
2012	78,573	1,445	1.9	78,573	0	0.0
2013	80,017	1,444	1.8	80,017	0	0.0
2014	81,461	1,444	1.8	81,461	0	0.0
2015	82,905	1,444	1.8	82,905	0	0.0

\*\*The 2005 value for the Fall 2005 Forecast includes actual rates billed from January to July 2005.

# *System Peaks*

The Summer peak forecast represents the maximum coincidental demand during the summer season on the Duke system. It includes all Retail classes, Schedule 10A Resale, and total resource needs for Catawba Joint Owners. The peak forecast excludes the demand portion of contract sales to other utilities, and sales to NP&L, Seneca and Greenwood. It is expressed in MW at the point of generation and includes losses.

The last Summer peak occurred on Wednesday, July 27, 2005 at 5 p.m. An actual peak of 20,559 MW was achieved at a time when the temperature was 97 degrees (the expected temperature at the time of summer peak is 94 degrees).

### ***Growth Forecasts***

The new forecast projects an incremental growth of 394 MW or 1.8% per year for 2004-2015. The previous forecast growth was 421 MW or 2.0% per year for 2004-2015.

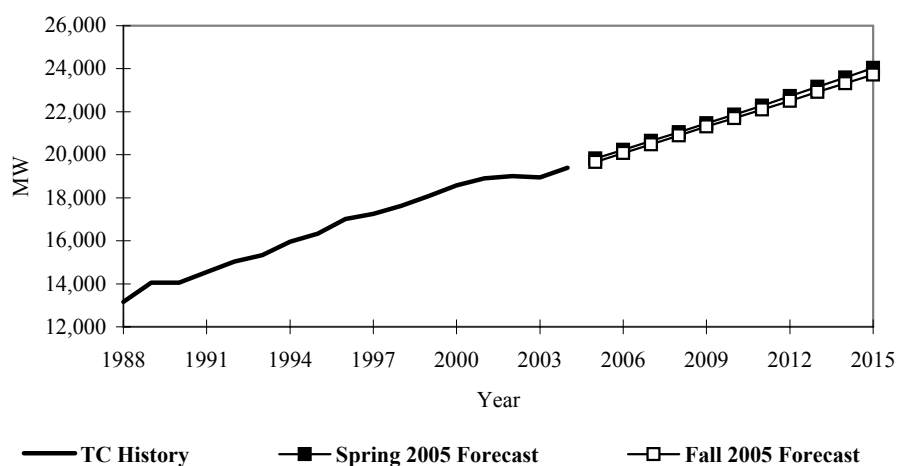
### ***Methodology***

The forecast is made using an econometric model that relates historical Summer peak demand to the following variables:

- Total Residential Square Footage Cooled by Central Air Conditioning and Heat Pump Systems
- Summer Peak Day Degree Hours (base of 69 degrees) from 1 to 5 p.m.
- Summer Peak Day Degree Hours (base of 69 degrees) for Minimum Morning Temperature
- Manufacturing Output and Non-Manufacturing Employment for the states of North and South Carolina.

Forecasted values for the first variable came from an analysis of trends in air conditioning and heat pump saturation's, average home size, and number of residential customers served directly by Duke Power. The degree hour variables use the most recent thirty-year median of weather in the Duke Power Service Area and the forecast for Manufacturing Output and Non-Manufacturing Employment came from an economic forecasting firm.

## System Summer MW



### HISTORY

### AVERAGE ANNUAL GROWTH

Year	Temperature Corrected MW	Growth MW	%		MW Per Year	% Per Year
2000	18,575	485	2.7	History (1999 to 2004)	262	1.4
2001	18,909	334	1.8	History (1989 to 2004)	356	2.2
2002	19,009	100	0.5			
2003	18,943	-66	-0.3	Fall 2005 Forecast (2004 to 2015)	394	1.8
2004	19,400	457	2.4	Spring 2005 Forecast (2004 to 2015)	421	2.0

### FALL 2005 FORECAST

### SPRING 2005 FORECAST

Year	MW	Growth MW	%	MW	Difference from Spring 2005 MW	%
2005**	19,669	269	1.4	19,820	-151	-0.8
2006	20,084	415	2.1	20,233	-149	-0.7
2007	20,487	403	2.0	20,644	-157	-0.8
2008	20,898	411	2.0	21,047	-150	-0.7
2009	21,310	412	2.0	21,461	-152	-0.7
2010	21,701	391	1.8	21,871	-170	-0.8
2011	22,098	397	1.8	22,287	-189	-0.8
2012	22,508	410	1.9	22,720	-212	-0.9
2013	22,915	408	1.8	23,157	-242	-1.0
2014	23,321	406	1.8	23,594	-273	-1.2
2015	23,730	409	1.8	24,034	-303	-1.3

\*\*2005 value is a temperature corrected actual MW for the Fall 2005 Forecast

The Winter peak forecast represents the maximum coincidental demand during the winter season on the Duke system. It includes all Retail classes, Schedule 10A Resale, and total resource needs for Catawba Joint Owners. The peak forecast excludes the demand portion of contract sales to other utilities, and sales to NP&L, Seneca and Greenwood. It is expressed in MW at the point of generation and includes losses.

The last Winter peak occurred on Monday, January 24, 2005 at 8 a.m. with an actual peak of 18,019 MW.

## ***Growth Forecasts***

The new Forecast projects an incremental growth of 266 MW or 1.5% per year from 2004-2015. The previous forecast growth was 298 MW or 1.6% per year from 2004-2015.

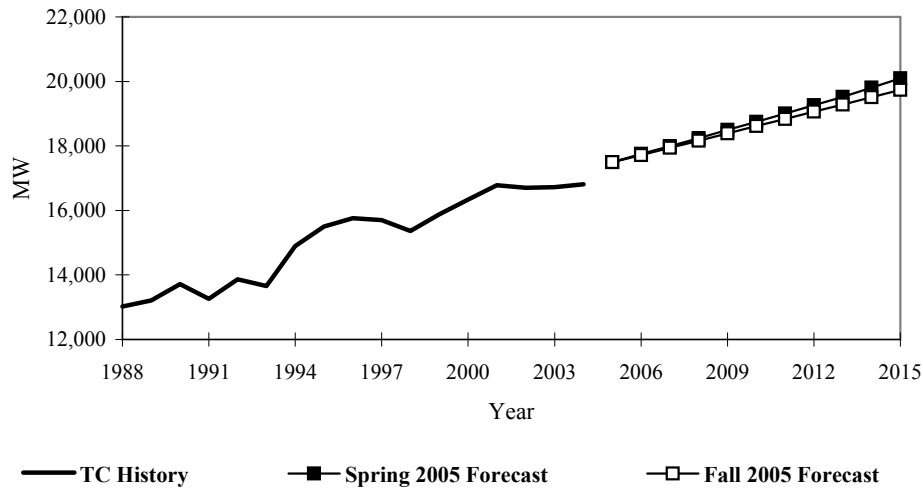
## ***Methodology***

The forecast is made using an econometric model that relates historical Winter peak demand to the following variables:

- Total Residential Square Footage Heated by Electric Resistance and Heat Pump Systems
- Winter Peak Day Degree Hours (base of 60 degrees) from 7 to 8 a.m.
- Day before Winter Peak Day Degree Hours (base of 60 degrees) for 4 p.m.
- Manufacturing Output and Non-Manufacturing Employment for the states of North and South Carolina

Forecasted values for the first variable came from an analysis of trends in electric resistance and heat pump saturations, average home size, and number of residential customers served directly by Duke Power. The degree hour variables use the most recent thirty-year median of weather in the Duke Power Service Area and the forecast for Manufacturing Output and Non-Manufacturing Employment came from an economic forecasting firm.

## System Winter MW



HISTORY				AVERAGE ANNUAL GROWTH		
Year	Temperature Corrected MW	Growth MW	%		MW Per Year	% Per Year
2000	16,333	458	2.9	History (1999 to 2004)	187	1.2
2001	16,780	447	2.7	History (1989 to 2004)	240	1.6
2002	16,707	-73	-0.4			
2003	16,726	19	0.1	Fall 2005 Forecast (2004 to 2015)	266	1.5
2004	16,810	84	0.5	Spring 2005 Forecast (2004 to 2015)	298	1.6

FALL 2005 FORECAST				SPRING 2005 FORECAST		
Year	MW	Growth MW	%	MW	Difference from Spring 2005 MW	%
2005**	17,500	690	4.1	17,500	0	0.0
2006	17,719	219	1.3	17,750	-31	-0.2
2007	17,939	220	1.2	17,993	-54	-0.3
2008	18,160	221	1.2	18,242	-82	-0.4
2009	18,390	229	1.3	18,500	-110	-0.6
2010	18,614	225	1.2	18,748	-134	-0.7
2011	18,838	224	1.2	19,001	-162	-0.9
2012	19,060	221	1.2	19,259	-200	-1.0
2013	19,280	221	1.2	19,524	-244	-1.2
2014	19,513	233	1.2	19,809	-296	-1.5
2015	19,738	225	1.2	20,091	-352	-1.8

\*\*2005 value is a temperature corrected actual MW for the Fall 2005 Forecast



NP&L's forecasted seasonal peak demands at the hours of Duke Power's Summer and Winter peak are shown in the following table. All values are at generation level and include losses.

Year	Summer Peak MW	Winter Peak MW
2005*	245	323
2006	254	331
2007	263	340
2008	271	349
2009	281	357
2010	291	367
2011	301	376
2012	311	386
2013	321	396
2014	332	406
2015	342	416

\*\*2005 values are temperature corrected actual MW for the Summer and Winter Peaks

# Native Load Peaks

The Summer and Winter peak forecasts below represent the maximum coincidental demand during the summer and winter season for the area designated as “Native Load.” Native Load includes for 2005 all Retail classes, Schedule 10A Resale, NP&L Total, the retained ownership of three of the four Catawba Joint Owners (Piedmont Municipal Power Agency, North Carolina Electric Membership Corporation and Saluda River Electric Cooperative, Inc.), and Piedmont Municipal Power Agency’s demand above retained ownership. Native Load includes for 2006 to 2008 all Retail classes, Schedule 10A Resale, NP&L Total, the retained ownership of two of the four Catawba Joint Owners ( North Carolina Electric Membership Corporation and Saluda River Electric Cooperative, Inc.) **[BEGIN CONFIDENTIAL]**

**[END CONFIDENTIAL]** Native Load includes for 2009 to 2010 all Retail classes, Schedule 10A Resale, NP&L Total, the retained ownership of one of the four Catawba Joint Owners ( North Carolina Electric Membership Corporation) **[BEGIN CONFIDENTIAL]**

**[END CONFIDENTIAL]** Native Load includes for 2011 to 2015 all Retail classes, Schedule 10A Resale, NP&L Total, the retained ownership of one of the four Catawba Joint Owners ( North Carolina Electric Membership Corporation) **[BEGIN CONFIDENTIAL]**

**[END CONFIDENTIAL]**

Year	Summer Peak MW	Winter Peak MW
2005*	17,497	15,639
2006	17,376	15,425
2007	17,918	15,815
2008	18,236	15,935
2009	18,342	15,878
2010	18,635	16,001
2011	19,689	16,936
2012	20,026	17,119
2013	20,393	17,301
2014	20,727	17,497
2015	21,062	17,602

\*\*2005 values are temperature corrected actual MW for the Summer and Winter Peaks

# Load Factor

The system load factor represents the relationship between annual energy and the maximum demand for the Duke Power system. It is measured at generation level and excludes off-system sales and peaks.

